

# HT Group - General Terms and Conditions of Purchase



## 1. Whereas

- 1.1 These Terms and Conditions of Purchase regulate all the supplies carried out between HT S.p.A. and/or HT EST DIVISION SRL (hereinafter HT), on the one hand, and the Supplier, on the other, on the basis of purchase orders for Goods issued by HT. Goods means all goods (including components, machinery, raw materials, semi-finished products, tools, materials, products) sold by the Supplier to HT.
- 1.2 The Supplier shall notify HT of the acceptance of the purchase order at the latest within five working days from receipt of same by sending the order confirmation. In any event, the supply contract shall be deemed to be concluded and governed by these General Terms and Conditions of Purchase if the Supplier delivers and HT accepts the delivered products.
- 1.3 Contractual terms and conditions other than the present ones, which are annexed, referred to, added to or amended by the Supplier, shall have no value unless expressly and specifically accepted in writing by HT.
- 1.4 Each order implies a reference to the specifications and technical characteristics in force for the goods ordered. Acceptance of the order therefore implies full and unconditional acceptance by the Supplier of all technical specifications that form an integral part of the supply.

## 2. Place and Time of Delivery

- 2.1 Goods shall be delivered at HT's warehouse on the delivery dates and to the locations specified in the purchase order. Transport conditions are specified in the purchase order.
- 2.2 The agreed deadlines for delivery are binding. Therefore, delays and early deliveries are excluded, unless requested by HT.
- 2.3 Without prejudice to HT's right to compensation for damages, in the event that the Supplier delays delivery of the Goods with respect to the dates set out in the order, HT shall have the right to charge the Supplier a penalty calculated on the price of the Goods and not lower than the rate envisaged by the current regulations for late payment in commercial transactions and/or to terminate the contract in whole or in part.
- 2.4 HT reserves the right, unless explicitly requested, to return to the Supplier, at the expense of this latter, any Goods delivered in advance of the delivery date specified in the order. If HT S.p.A. decides to accept early delivery, it may charge the Supplier for any storage costs. It is in any case forbidden for the Supplier to bring forward delivery of the Goods to the end of the month preceding the month indicated in the purchase order.
- 2.5 The Goods must be accompanied by a delivery note detailing the HT order number, material code, customs tariff code, quantity, number of packages, net and gross weight and origin of the goods. If required, the Supplier is also obliged to issue the EC Declaration of Conformity to all applicable Directives and Regulations.

## 3. Quality Control and Inspections

- 3.1 The Supplier is obliged to supply Goods manufactured in a workmanlike manner and in conformity with the technical specifications and applicable regulations in force.
- 3.2 For the purpose of verifying said conformity, HT shall be entitled to inspect or have third parties inspect the Goods and, consequently, not to accept the batch or batches of Goods that have not passed the relevant tests. The inspections will take place, at HT's choice, either at the Supplier's premises or upon receipt at destination and will be carried out by HT's own staff or a third party appointed by HT. In any case, this shall not affect the guarantee for defects and/or faults of the Goods.
- 3.3 Incoming Goods are checked by staff adequately trained for the role according to control procedures drawn up by HT, using suitable instruments for measurement, subject to periodic calibration. In the event that any deviations from the expected characteristics are found, HT will notify the Supplier by means of a Non-compliance of Supply, or by e-mail. In the event of a Non-compliance of Supply, HT may charge the Supplier for any fixed and variable costs incurred for the management of the event and the accompanying documentation. Costs will be communicated and discussed with the Supplier.

- 3.4 Without prejudice to HT's right to cancel the order, either wholly or in part, in the event of non-acceptance of non-compliant Goods, HT may, as it deems appropriate:

- request the Supplier to replace the defective Goods with new Goods, free of charge, within seven (7) days of the request, or
- reject the non-conforming goods.

In any case, no payment shall be due by HT to the Supplier for the replaced or rejected Goods.

- 3.5 At the request of HT, the Supplier shall provide evidence of the quality controls carried out, without prejudice to the obligation to keep all relevant documents and reference samples, copies of which may be requested by HT free of charge.

## 4. Change - Move of Production Processes

- 4.1 The Supplier is obliged to notify HT of any change in the Goods supplied that may have an impact on one or more of the physical, dimensional, chemical or functional characteristics in the drawing or data sheet. It will be the decision of HT to accept and issue a new approval of the aforementioned change.
- 4.2 Any negative consequences on HT's internal process or on the end market caused by a change that is not communicated in writing and sufficiently in advance of delivery will be economically evaluated and charged to the Supplier.

## 5. Packaging - Marking

- 5.1 The packaging and the quality of the packaging material must be such as to protect the Goods from damage and deterioration during transport and storage. The Supplier must also ensure that each crate, container or box is marked in accordance with the instructions provided by HT.
- 5.2 All wooden packaging materials must comply with the standards dictated by current legislation (e.g. ISPM15).
- 5.3 If expressly provided for in the purchase order, the Goods shall bear any trademarks, other distinctive marks and anything else indicated by HT, in accordance with the instructions of this latter. In this case, the Supplier shall not have any right to use HT's trademarks or other distinctive marks for the execution of deliveries other than those agreed upon with HT, except with HT's written authorisation.

## 6. Obsolescence

- 6.1 The Supplier shall notify HT without delay of any obsolescence problems, even if only potential, affecting the Goods, giving all details with regard to the impact on the performance of the supplies and stating the actions to be taken to eliminate the problem.
- 6.2 The Supplier shall bear all costs and expenses resulting from obsolescence problems arising during the execution of supplies and shall do its utmost to ensure compliance with the agreed volumes and delivery dates.

## 7. Prices - Payment Conditions

- 7.1 The prices and terms and conditions of payment are as stipulated in the order issued by HT. Prices stated or referred to in the order are fixed and not subject to any variation. They shall be deemed to include the cost of the relevant packaging for shipping, unless otherwise agreed upon by the Parties.
- 7.2 HT may suspend payments in the event of default by the Supplier or if there are any circumstances from which it is likely that the Supplier will not fulfil its obligations. Any delays in payment by HT will not entitle the Supplier to suspend or delay the performance of its contractual obligations.
- 7.4 Invoices shall be issued by the Supplier no earlier than the date of delivery of the relevant goods and shall contain a reference to the order number, a description of the goods supplied and the quantity delivered. Invoices must also specify the Supplier's VAT registration number, customs tariff code, country of origin and the applicable export control classification number ('ECCN').

7.5 Invoices will be paid within the agreed time frame. It is in any case understood that payment does not in any way imply acceptance of the delivered goods or the invoiced amount.

## 8. Sub-suppliers

The use of sub-suppliers, with or without the approval of HT, does not limit the liability of the Supplier, which also remains liable for the obligations assumed by each subcontractor.

## 9. Warranty

- 9.1 The Supplier warrants that the Goods conform to the specifications referred to in the purchase order, are free from defects in design and/or manufacture, materials, and free from flaws and/or functional defects.
- 9.2 The Supplier also warrants that all Goods delivered comply with the standards dictated by the regulations in force (e.g. RoHS and REACH Directives); if the Goods delivered contain one or more substances on the "candidate list" (known as SVHC) in a percentage higher than the established limit, the Supplier is obliged to notify HT in writing.
- 9.3 The warranty referred to in this Article shall last for twenty-four (24) months from the date of delivery of the Goods, unless otherwise agreed in writing.
- 9.4 The Supplier shall, during the warranty period, at HT's request, replace or repair the Goods affected by defects or faults, free of charge at HT or HT's client's premises. In the event that the Goods sold are used in HT's production processes, the Supplier shall ensure the replacement of rejects at its own expense. Replaced or repaired Goods units will also benefit from the same warranty period.
- 9.5 The right of HT to claim compensation for damages and termination of the contract is in any case unaffected. In particular, the Supplier shall also be liable for damages in connection with any recall campaigns for the Goods, whether imposed by order of the authorities or for other reasonable reasons.
- 9.6 Any liability arising from the Goods, including any damage to persons or property, shall be borne exclusively by the Supplier, which shall hold HT free and harmless. To this end, the Supplier shall have sufficient insurance cover for liability against the aforementioned damages for which the Supplier may be held liable. Insurance cover must be valid worldwide. At the request of HT, the Supplier shall deliver a suitable insurance certificate proving the validity of the above-mentioned cover.

## 10. Epidemic Failure

- 10.1 If a defect or non-conformity to agreed specifications of a recurring and/or epidemic nature ("epidemic failure") develops in the Goods, the Supplier is obliged to remove the causes of said problem as quickly as possible.
- 10.2 In this case, shipments of Goods not yet delivered will be postponed until such time as the cause of the epidemic failure has been remedied.
- 10.3 If, after thirty (30) days from the date on which HT has notified the Supplier of the existence of the epidemic failure, the Supplier has not remedied it, HT shall have the right to withdraw from the contract without any liability and without prejudice to the right to claim compensation for damages and any other possible remedy.
- 10.4 If a solution to the problem is found, all Goods units subsequently delivered to HT shall incorporate the changes aimed at remedying the defect and the Supplier shall replace, free of charge, all Goods units previously delivered that are affected by such epidemic defect; the Supplier shall also reimburse HT for all damages and expenses incurred by HT in dealing with the epidemic failure, including those for the replacement and detection of the defective Goods.

## 11. Intellectual Property

- 11.1 The Supplier warrants that the Goods do not infringe any patent, copyright or other intellectual or industrial property right of any third party and that no action for infringement of rights and/or patents relating to the Goods is pending before any Court.
- 11.2 In the event that it is contested that the Goods or parts thereof infringe the rights of third parties, the Supplier shall be obliged, without delay and at its own expense, to procure HT's right to use the Goods or to modify them in such a manner that the infringement ceases, or to replace the Goods with other goods of equivalent function and performance to those agreed with HT.
- 11.3 The Supplier shall defend, indemnify and hold HT free and harmless against any actions, claims, damages, demands, costs, fees and

expenses arising from or incurred by reason of any actual or alleged infringement of patents, registered trademarks or other intellectual property rights, caused by the use of the components.

## 12. Industrial Information

All drawings, designs, documents and any other industrial information transmitted or communicated, even verbally, to the Supplier shall remain the exclusive property of HT and may only be used by the Supplier for the proper execution of the supplies. Such industrial information may not be exploited by the Supplier, copied or reproduced, transmitted, communicated or disclosed to third parties without the prior written consent of HT.

## 13. Properties of HT

- 13.1 The Supplier shall be obliged to maintain HT's equipment and assets that may be in its possession. Upon termination of the supply relationship or at HT's simple request, the Supplier shall return the equipment in working order and complete with all its parts.
- 13.2 The equipment shall be used and stored by the Supplier with the utmost care and shall not be modified without the prior written consent of HT. If, as a result of accidental events, HT's equipment and goods are partially or fully damaged, broken or ruined, the Supplier undertakes to pay HT reasonable financial compensation.
- 13.3 Should any extraordinary maintenance work become necessary, the Supplier shall inform HT in order to receive instructions on the measures to be taken.

## 14. Confidentiality

- 14.1 During the period of validity of these General Terms and Conditions of Purchase, and also afterwards, the Supplier shall not disclose to third parties the technical or commercial information belonging to HT and shall not use this information except for the purposes agreed upon at the time of the purchase agreement and/or order. However, such disclosures may not contain information about the final products in which the Goods are used or for which they were developed.
- 14.2 The drawings, standards, tables, data, instructions and any other information contained in or annexed to the purchase agreement and/or order and/or offer request is confidential material owned by HT that must not be handed over or disclosed to third parties and must be returned to HT in full at the end of the delivery or together with the offer. Any delay in returning the goods does not, under any circumstances, mean that HT Spa has waived its rights.

## 15. Resolution

Each Party shall have the right to terminate the contractual relationship governed by these General Terms and Conditions of Purchase by giving sixty days' written notice to the other Party in the event that said other Party:

- has committed a material breach and has not remedied said breach within thirty (30) days of receipt of the notice of termination;
- has become insolvent or is subject to insolvency proceedings;
- has been subject to a substantial direct or indirect change in ownership or control.

## 16. Termination Effects

- 16.1 Upon termination of the supply relationship, the Supplier shall return to HT all materials, including any specific type of equipment and electronic media, drawings and other technical documents concerning the Goods or their manufacture, which the Supplier has obtained from HT.
- 16.2 Orders already confirmed on the date of termination shall be valid and binding and shall be carried out even if the delivery dates extend beyond the termination of these General Terms and Conditions.

## 17. Spare Parts

The Supplier shall make spare parts available to HT for a period equal to the lifetime of the Goods.

Before the production of spare parts ceases, the Supplier undertakes to inform HT so that it can place a final order.

## 18. Force Majeure

- 18.1 Each Party may suspend the performance of its contractual obligations when such performance is rendered impossible or unreasonably burdensome by an event of force majeure, to be understood as an unforeseeable impediment beyond its control (including but not limited

to: strikes, fires, wars, riots, floods, embargoes, power outages, delays in delivery or shortage of components or raw materials, computer viruses, pandemic).

- 18.2 If an event of force majeure occurs, the Party suffering the consequences shall inform the other Party of the occurrence of that event and the effects of same. The Parties shall do their utmost to take the necessary measures to nullify or reduce the effects of such an event.
- 18.3 During the continuation of the force majeure event, the Party that suffers the consequences thereof shall not be held in default or liable for its inability to perform the Contract. If the suspension due to the force majeure event should last longer than twelve weeks, each Party shall have the right to terminate the Contract by giving thirty days' notice in writing to the other Party.

## 19. Miscellany

- 19.1 The Supplier is aware of the existence of the regulations in force in the European Union concerning the transfer of dual-use technology, and warrants HT that the Goods sold are not manufactured using materials or goods falling within the scope of said European regulations. The Supplier therefore acknowledges HT's right to suspend first, and possibly cancel later, supplies where a Public Authority order has been issued. In the event of cancellation of deliveries, the Supplier shall return any advance payments received in the meantime to HT.
- 19.2 The Supplier declares that it has implemented a monitoring system of its subcontractors in order to ensure that they do not violate the European regulations concerning the transfer of dual-use technology and therefore guarantees HT that no violations are taking place in the production chain.
- 19.3 The Supplier undertakes to provide HT with all necessary information on the control of imports and exports and to issue the relevant documentation on the Goods, updating it periodically in accordance with the applicable export control laws and regulations. The Supplier is also responsible for obtaining and maintaining any required export and import licences for the Goods. In the absence of the necessary information or documentation, the Supplier warrants and represents that the Goods are not subject to any export or international trade control restrictions, including the material and parts received from its subcontractors.
- 19.4 It is a fundamental requirement for the Supplier to obtain ISO9001 certification (according to the latest version in force) no later than 3 years from the beginning of the relationship with HT; this certification is important to guarantee high quality standards and the commitment to a process of continuous improvement of its quality management system. HT reserves the right to terminate the cooperation relationship with the Supplier if this request is not complied with.
- 19.5 Assignment of these General Terms and Conditions of Purchase and/or its rights and obligations is allowed only if the other party has given its consent in writing.
- 19.6 If any provision of these General Terms and Conditions of Purchase, or part thereof, should be held invalid or otherwise unenforceable, said provision shall be interpreted as to reflect the closest meaning in respect of the original intention of the parties, and the other provisions shall remain valid and enforceable.
- 19.7 The General Terms and Conditions of Purchase may be drafted in Italian and other languages. In the event of differences or discrepancies between the versions, the Italian version shall prevail.

## 20. Dispute Resolution and Applicable Law

- 20.1 The Contract is governed by the United Nations Convention on Contracts for the International Sale of Goods (1980 Vienna Convention) and in respect of matters not governed by that Convention, it is regulated by Italian law.
- 20.2 The competent Court of Treviso (Italy), the place in which HT SPA has its registered office, shall have exclusive jurisdiction for any dispute arising out of or in connection with the supply relationship. Notwithstanding the foregoing, HT shall always be entitled to bring proceedings before the Court in the place where the Customer has its registered office.

## 21. Clause/Information for Representatives and Employees of Supplier Companies

- 21.0 The Supplier acknowledges that the provisions of the privacy legislation - Regulation (EU) 2016/679 of the European Parliament and Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data, hereinafter "GDPR" - concern the

processing of personal data, i.e. relating only to natural persons, acquired and processed by the purchaser for the conclusion and execution of the Contract and are not applicable to data referring to companies, entities and associations. For the purposes of this Contract, the purchaser may process personal data concerning the (i) Supplier, if the Supplier is a sole proprietor or a self-employed person, and/or in any case, the Supplier's representatives, exponents, employees or collaborators.

- 21.1 The Supplier declares that it is aware, pursuant to Art. 13 of the GDPR, that the personal data communicated by the same for the conclusion and performance of the Contract are collected and processed by the purchaser, as Data Controller, exclusively for such purposes and for the related regulatory, administrative and accounting requirements, using appropriate methods and procedures (including computerised), through its specially appointed internal staff and through external collaborators designated as data processors or persons in charge of processing. The Supplier acknowledges that, with regard to personal data processed for the conclusion and performance of this Contract, the natural person to whom the data refer ('data subject') has the right of access, rectification, restriction, erasure, portability and objection (Art. 15-22 of the GDPR), as well as the right to complain to the Privacy Authority.
- 21.2 It is the Supplier's responsibility to guarantee the lawful use of the personal data concerning, by way of example and not limited to, any of its representatives, exponents, employees and collaborators, that are communicated to the purchaser for the conclusion and performance of the Contract and, in particular, the correct fulfilment of the obligations of information to the data subjects as well as, where necessary, of the collection of their consent, regarding the processing of their personal data by the purchaser for the above mentioned purposes in the terms highlighted above.

## 22. Environmental Protection

HT operates with an ISO14001 certified management system. In this regard, HT encourages the Supplier to implement the following good practices in order to protect the environment, limiting negative impacts as much as possible.

Ensure that the parts produced are:

- obtained with the least generation of scrap and waste, and, if necessary, these are appropriately collected and recycled;
  - obtained with the minimum use of resources, raw materials, water and energy;
  - constructed and handled without spills or drips of oils or other chemicals and that, if such spills or drips do occur, they are properly collected and disposed of.
- Ensure that deliveries and transport are carried out:
- where possible, with reused/recoverable packaging and containers, or alternatively made of easily separable and recycled/recyclable material;
  - through supply batches and road routes that minimise fuel consumption.